Vancouver Coastal Health

Promoting wellness. Ensuring care.

FROM STRATEGY TO ACTION

2003/04 to 2005/06

Final

SEPTEMBER 2003

FROM STRATEGY TO ACTION
2003/04 to 2005/06

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SECTION 1: INTRODUCTION

Vancouver Coastal Health's (VCH) *From Strategy to Action 2003/04-2005/06* outlines our health authority's redesign and budget management plans.

1.1 VCH Profile

Vancouver Coastal Health (VCH) delivers health services in Vancouver, Richmond, the North Shore and many communities in the coastal region, including Squamish; Whistler and Pemberton in Sea to Sky; Gibsons and Sechelt on the Sunshine Coast, and Powell River. Providence Health Care (PHC) is a major partner in delivering acute and residential services in Vancouver under a denominational affiliation agreement. Through another affiliation agreement with the United Church, VCH also provides health services in Bella Bella and Bella Coola. VCH also treats patients referred for specialized services from other health authorities throughout the province.

Denominational agreements recognize the distinct character of denominational facilities, which maintain separate governance and management as partners within the regional health system. The partnership extends well beyond funding and coordination. Providence Health Care plays a significant role within VCH. To demonstrate that point, the VCH Board Chair is a member of the PHC Board, the PHC Chief Executive Officer is a member of the VCH Senior Executive Team, and PHC has provided executive sponsorship and administrative and physician leadership for many of the major VCH strategic initiatives.

VCH serves 25 per cent of B.C.'s population who live in the region, covering a geographic area of 54,165 km^2 (over 1 million people), and provides 46 per cent of all inpatient specialized care for the over four million people in the province. It provides health services through more than 9,000 acute, rehabilitation and residential beds across 14 hospitals. VCH is also responsible for two diagnostic and treatment centres and contracts with over 300 agencies to ensure that a broad range of community health services such as immunization, nutrition, smoking cessation and chronic disease management are provided.

1.1.1 Vancouver Coastal Health at a Glance

Annual funding: $1.9 Billion

Population served: 1,003,150 (25% of B.C.'s population) who live in the region; VCH also provides almost half of the specialized services for the province, a population of over four million

Geographic area: 54,165 KM^2

Municipalities and Regional Districts: 17

First Nation Communities: 15

Denominational Agreements: Providence Health Care; Bella Bella/Bella Coola communities

Facilities: 476 buildings; 556 locations; 12 million square feet

Asset value: $1.2 billion

Hospitals (Acute care facilities): 14

Diagnostic and treatment centres: 2 (Whistler Healthcare Centre; Pemberton Healthcare Centre)

Number of contracts with other health agencies: 300+

Number of Beds: 9,000 acute, rehabilitation and residential beds

Number of Staff: 27,020 staff

Number of Volunteers: 3,000+

Annual Emergency Department visits: 276,096 visits in 2001/02

Annual Cases/Discharge (Acute, Extended & Rehab): 81,407 in 2001/02

Annual same day surgical visits: 75,939

Annual clinic visits: 591,987 in 2001/02

Research & Education
VCH partners with many academic institutions in B.C. to provide training for students and specialized/advances education for all staff. Some of our academic partners are: University of British Columbia; Kwantlen University College; Simon Fraser University; University of Victoria; University of Northern B.C.; Douglas College; BCIT; Langara; Open Learning Agency; Trinity; University College of the Cariboo; Vancouver Community College.

VCH is considered to be a centre of excellence both nationally and internationally and, as such, provides a broad scope of learning experiences for students and practitioners from all health care disciplines.

Annual student placements: UBC/VGH: 2,300; Richmond Health Services: 1,700

Research Initiatives:

UBC/VGH: 250 principal investigations, involving 40 post-doctoral fellows, 150 Ph.D. students, 200 MSc students and 80 clinical trial coordinators

Providence Health Care: over 350 staff involved in a full range of research activities

Lions Gate: Five research studies

Richmond: 16 Research studies

Research funding: 2002/03 Vancouver Acute = $70 million; Providence Health Care received almost $20 million in research funding in 2001/02; every dollar spent on research returns $6 to $8 of benefits to the B.C. economy.

Specialized care: Responsible for 46 per cent of the inpatient specialized care for B.C.

Centres of Excellence: Surgical Education and Innovation; HIV/AIDS Centre; Heart Centre; Prostate Centre; Neurological sciences including Brain Centre and ICORD (International Collaboration Of Repair Discoveries - spinal cord injury research); iCAPTURE Centre (using Technology to Study Heart, Lung and Blood Vessel Diseases); programs for Vancouver Downtown Eastside Community/Vancouver Agreement; Surgical Oncology

Revenue Generation: Hospital foundations, hospital auxiliaries, fundraising programs and enterprises.

1.2 VCH Vision and Strategies

1.2.1 The Vancouver Coastal Health Vision

The VCH Vision:

We are committed to supporting healthy lives in healthy communities with our partners through care, education and research.

This overall purpose is a commitment to health and health outcomes.

1.2.2 Our Values and Commitments

Our commitment to our customers[1], our people and our partners:

Service
We will provide outstanding service and respond to needs in a timely and innovative manner.

Our Commitment
1. We will commit to providing appropriate service levels to meet the needs of our customers.
2. We will develop service standards in both clinical and corporate support areas.

Integrity
We will serve openly and honestly in a caring and compassionate environment of trust and respect.

Our Commitment
1. We will involve our customers, people and partners in an open, inclusive and principle-driven manner throughout our operational planning process.
2. We will proactively communicate in a transparent way.
3. We will seek candid and honest feedback on our performance and commit to action to address concerns.

Sustainability
We will focus on effectiveness, efficiency, best practices and health outcomes, holding ourselves accountable for results.

Our Commitment
1. We will allocate resources to strategic initiatives in the face of ongoing financial pressures.
2. We will commit to continuous improvement and a higher standard of performance.
3. We will develop performance measures in support of identified standards and hold ourselves and others accountable.

1.2.3 Strategic Directions

The Strategic Directions of Vancouver Coastal Health are depicted on the next page.

Vancouver Coastal Health (VCH) has recently developed a new strategic direction based on three core themes: a commitment to our customer, stewardship of resources and sustainability. Our strategy is centered on our patients, clients and residents. We have identified and developed three, interlocking networks of healthcare service. These three networks -- Primary Health Care, One Acute Care and Community Care – represent different areas or aspects of our healthcare services. Our goal in developing this system is to ensure that the links between these networks are seamless. We want to ensure that our healthcare system is easy to access, navigate and use – and sustainable into the future.

[1] Note: We will use the words "customer" and "consumer" throughout this document. Both words will serve to represent the full range of citizens we serve: both those who do not require health care services today but fall within our catchment area or area of service, and those who are currently receiving care or support services from us including our health promotion, protection and preventive services. These terms will stand for patients, clients and residents.

This is a brief summary of the three networks of healthcare services (as shown in the diagram on the next page):

The **Primary Health Care Network** will feature initial point of entry (checkups with your doctor is one example of point of entry) and information on how to access the range of care available; ambulatory (meaning outpatient) secondary care; prevention and population health (population health refers to population groups like women and youth, aboriginals, etc.); primary care; and chronic disease management. Services will be provided closer to where people live – to avoid unnecessary stays in our acute care hospitals and residential facilities.

In the **Acute Care Network,** hospitals will work more closely together, share knowledge, provide centres of excellence and outreach teams, and perform according to regional clinical standards. The Acute Care Network will plan the location of services based on a reasonable balance of factors, particularly geographic accessibility, cost-effective delivery and competent provision of specialized expertise. It will also create better linkages to enable people to obtain services where they are available and get back home as soon as possible, returning or connecting them as needed to the full service care of the Primary Health Care Network or to the Community Care Network.

In the **Community Care Network** all the residential, home care and home support services will work together to provide a continuous service, from independent living through supportive housing, assisted living and complex care (residential care). The Community Care Network will always be working to provide care at appropriate levels of service for the greatest possible comfort and support of our customers and with the least pressure on the Acute Care Network.

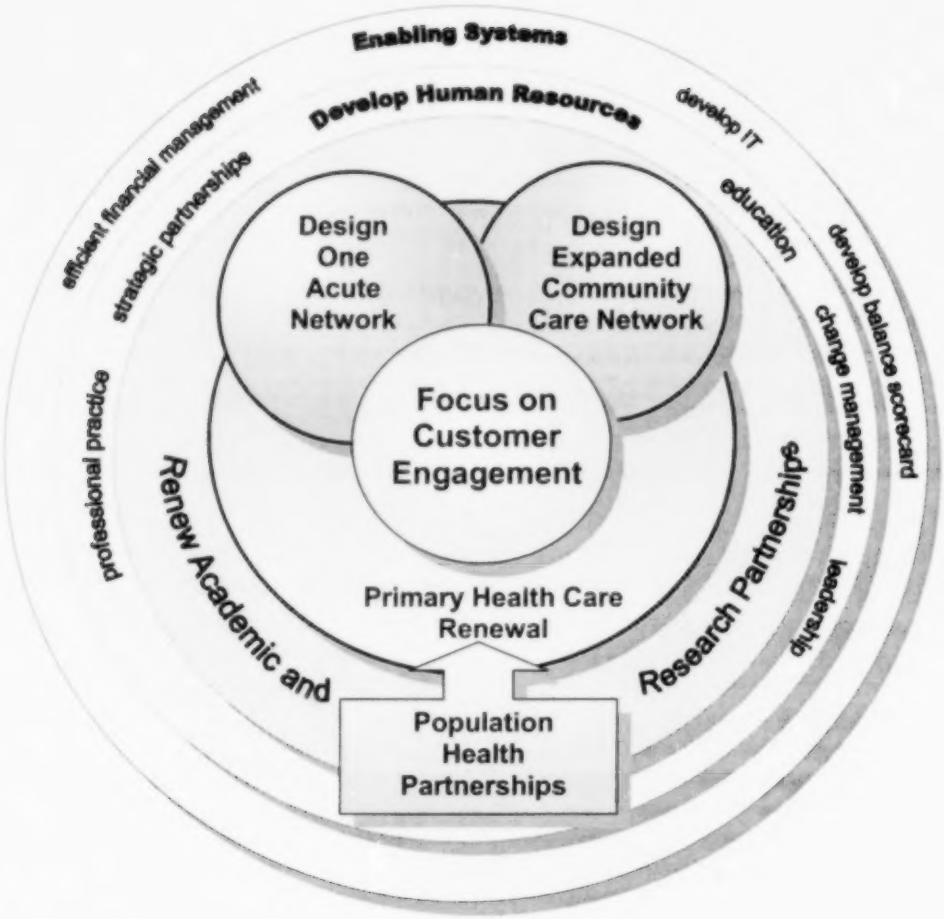
Note: Full details on the three networks of healthcare services are available in sections two, three and four.

Some population groups receive specific services that include all three service networks. An important example is Mental Health and Addictions services, which are described separately in section five.

In addition to the three service strategies identified above, there are five more strategic directions (see page 29 for full details):

1. Focus on customer engagement and navigation.
2. Our academic role is an essential part of the character and commitment of Vancouver Coastal Health, leading to a strategic direction to renew education and research partnerships.
3. Develop our staff and physician human resources as a core asset. Our staff and physicians determine who we are and what we will become.
4. There are a number of systems required to enable the system to move forward. These include financial systems and the Balanced Scorecard, as well as information systems. Another strategic direction is to develop enabling systems, particularly Information Management/Information Systems.
5. The final strategic direction is to ensure the sustainability of the health system, not only in terms of resource utilization, but also in constantly improving the standards and levels of service and of patient safety ensure that the health system is sustainable and consistently improving.

Figure 1: VCH Vision and Strategies



SECTION 2: ONE ACUTE CARE NETWORK

2.1 VCH Vision and Strategies for the One Acute Care Network

The 14 acute hospital sites and two diagnostic and treatment centres in VCH will comprise one acute care network, which will provide acute services to the residents of the VCH region, to the residents of the province and, in some cases, to people living in Western Canada.

In the One Acute Care Network, hospitals will work more closely together, share knowledge, provide centres of excellence and outreach teams, and perform according to regional clinical standards. The One Acute Care Network will plan the location of services based on geographic accessibility, cost-effective delivery and competent provision of specialized expertise. It will also create better linkages to enable people to obtain services where they are available and get back home as soon as possible, returning or connecting them as needed to the full service care of the Primary Health Care Network or to the Community Care Network.

Key Expectations of the Acute Care Network

- Meets needs/expectations from the customer viewpoint
- Sustainable
- Accountable for performance
- Focuses on the people receiving services – and those providing services.

Key Attributes of the Acute Care Network

- One acute system across VCH with a variety of sites
- Defined roles including protected mandates and workload
- Improved navigation linked to the Primary Health Care and Community Care Networks
- Seamless movement of people from one service to the next, when required
- Best practice standards across the VCH, centres of excellence and outreach teams.

Strategic Issues facing the Acute Care Network

- Efficient and appropriate alignment of clinical services and service delivery sites
- Building the full continuum of acute and sub-acute services
- Access to unscheduled care including emergency services
- Balancing the mix of secondary and tertiary services for VCH and non-VCH residents
- Meeting the academic health mandate.

Measures of Success for the Acute Care Network

- Improved access to secondary and tertiary care within current funding envelope
- Improved consistency in standards of care
- Improved coordination of care (e.g., reduced ALC days)
- Reduced ER and surgical waiting times
- Fewer cancellations of scheduled procedures.

Acute Care Network in Five Years

- Regionally defined mandates and workload
- Regional clinical standards and utilization management
- Regional programs across all but a few specialties
- All acute sites linked electronically to share patient records and diagnostics
- Highest volume procedures standardized across VCH to ensure consistent standards of practice rather than different approaches in different areas.

The acute care network will respond to the geographic composition of VCH (e.g., non-contiguous borders, significant distances within the region) – and the breadth of required services (primary care through provincial and specialized services). The acute care network will be highly integrated across the continuum of services and will be geographically responsive (recognizing the natural and logical service linkages that exist due to location and distance). It will provide the foundation upon which to coordinate acute services within an overall regional framework. It will enable local responsiveness within a graduated system of service delivery, and support appropriate services in the most appropriate settings.

2.2 Highlights of Initiatives Currently Underway and Planned

To accelerate progress towards the acute care network for VCH and to meet performance expectations set forth by the Ministry of Health Services, a number of major initiatives for 2003/04 to 2005/06 have been developed and/or re-affirmed. The following is a description of the four major initiatives predominantly linked to the acute care network.

2.2.1 VCH Surgical Services

As an integral component of the acute care network, the alignment of surgical services will focus on improving patient access and defining the surgical mandates and workload for the respective sites (taking into account secondary and tertiary services, scheduled and emergency services, etc.). Through the adoption of best practices, the coordination of surgical specialty services across the region will be improved, and – most importantly – patient access will be enhanced. Surgical services planning will also help to ensure that VCH meets its academic mandate. Key objectives:

- Determine the amount of surgery to be done in VCH by specialty, where the surgery should be sited and what resources (ORs, beds, surgeons) are required to ensure high quality, appropriate, accessible and cost-effective surgical services.
- Address critical issues related to access to surgical services.
- Improve coordination and realize efficiencies through perioperative improvements.
- Align with and support directions established through Provincial Surgical Services planning. Led by Regional Surgical Services Council, and supported by Regional Surgical Forum, 17 surgical specialty working groups, and multiple sub-committees (Perioperative, Surgical Data, Resource Allocation, etc.). Linked to Provincial Surgical Services Steering Committee, UBC Faculty of Medicine and Medical Advisory Committees.

2.2.2 Access to VCH Emergency and Urgent Care Services

This initiative involves extensive linkages to acute care, home and community health, mental health and primary health services, as well as B.C. Ambulance Services and bcbedline. The initiative is focusing on improving patient access to ERs, and patient flow through ERs in order to maximize coordination and efficiency. Work is directed at ensuring the appropriate configuration and capacity of hospital ERs, identifying clear performance targets for the system, as well as the ERs, and specific steps to reduce wait times on a consistent and ongoing basis. Activity is also focused on enhanced arrangements for urgent care services. Key objectives:

- Ensure capacity and systems for accessible and coordinated emergency services across VCH.
- Implement strategies to prevent and manage ER congestion including: alignment with acute, community health and primary health services; enhancements to patient flow into/from the ER; and utilization management efficiencies in ER operations.
- Meet or exceed the Ministry of Health Services performance expectations for emergency services.
- Align with and support the Provincial Emergency Services planning.
- Meet academic mandate pertaining to emergency services education and research.

- Increase capacity to provide urgent care services in VCH. Led by VCH Regional Emergency Services Council, involving medical and administrative leaders, as well as B.C. Ambulance Service and bcbedline. Numerous working groups have been established, along with direct participation in the Provincial Emergency Services project.

2.2.3 Alignment and Configuration of VCH Acute Services and Sites

VCH continues to align the services and programs provided across its acute sites - within the framework of a single acute network. With defined mandates and roles, the acute sites will continue to serve local communities and correspond to referral relationships - and will form a graduated continuum providing regional, specialty and provincial referral acute services. With extensive linkages to home and community health and primary health services, the acute care sites will reflect the full range of designated acute and sub-acute services, and will eventually be linked electronically to share patient records and diagnostics. Coordinated enhancements will continue to take place in clinical and diagnostic programs to ensure that patient access and service requirements are met. As well, a number of site configuration changes are underway or planned for the next couple of years to support alignment between the acute care sites and meet the changing requirements for acute services. Key objectives:

- Drive the configuration of service delivery sites on the basis of patient access and appropriate clinical services alignment.
- Free up resources for patients that might otherwise have been allocated to buildings.
- Pursue opportunities for changes to site configurations to improve service delivery, and ensure the right care in the right place in the most efficient manner possible.
- Align acute care physical capacity with corresponding population need and efficient operation.
- Fully meet the access guidelines for all our communities.
- Ensure critical mass for programs and services, along with regional and provincial referral roles.

The development of a plan for the role and configuration of the acute sites will be a priority for 2003/04. The configuration and alignment of VCH acute sites is a multi-pronged and multi-phased initiative – involving a significant number of medical and clinical staff, support staff and key stakeholders. As appropriate, there are extensive liaisons with PHSA and the other Health Authorities to ensure coordination.

The major element of this initiative in the region is the Providence Legacy Project under the auspices of Providence Health Care. In its original form this project would have consolidated the PHC acute and rehabilitative services onto two sites as well as transforming its residential care services. The current plan being considered offers the potential not only to assemble all of the PHC acute and rehabilitation services onto one site, but also to use that opportunity as a platform for a creative and significant redesign of the acute service network within VCH. The concept fits precisely with the strategic direction of the acute care network. VCH is currently completing a formal review of the plan, and is exploring possibilities to generate service improvements and operating efficiencies through realignments that might become possible when PHC completes this project in 2010.

2.2.4 Sustainable and Efficient Patient Flow

Across the VCH One Acute Care Network – and bridging to community health services – are a set of interdependent patient flow opportunities to be addressed. These include:

- admitted patients and patients delayed getting to stretchers in ERs;
- inpatient utilization management opportunities associated with delays or with patients not meeting acute or sub acute criteria;
- inpatients who could be cared for in day care;
- inpatients who require sub acute services; and

- ALC (Alternative Level of Care) patients who need community services – especially residential or transitional care – at a lower cost per day.

Accordingly, there are numerous activities underway or planned across the VCH to make concurrent adjustments to ERs, inpatient services and community health resources to improve flow of patients and ensure the most appropriate location for the care and service needed. Key objectives include:

- make system-wide adjustment to ensure access and appropriate location for appropriate service;
- meet or exceed Ministry of Health Services expectations for utilization performance across sectors; and
- pursue longer-term acute care length of stay opportunities, including detailed analysis of inpatient services and determination of best practices to assist with targets for upcoming years.

Sustainable and efficient patient flow is another multi-phase and multi-pronged initiative with extensive involvement by clinical and support staff across acute and community health services.

2.3 Response to Ministry Performance Expectations

The performance agreement calls for VCH to be involved in collaborative provincial processes with regard to emergency health services and surgical and procedural services. These correspond to two of the major VCH initiatives and VCH is fully involved in the provincial processes.

The performance agreement calls for significant improvement in rates of MNRH admission (may not require hospitalization). VCH already has comparatively good rates of MNRH, so achieving the same percentage improvement as other health authorities will be a challenge. Nonetheless, VCH has a major initiative addressing sustainable and efficient patient flow, including a significant effort with regard to utilization management. It is our expectation that the MNRH target can be achieved.

The performance agreement also calls for maintaining benchmark-waiting times for chemotherapy. This will be addressed in collaboration with the Provincial Health Services Authority.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. Five of these may be considered to relate particularly to acute care. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy		VCH Acute Sector Plan
1.	Hospital admissions prevention through increased community care options	Addressed through Sustainable and Efficient Patient Flow initiative and Primary Health Care renewal
2.	Post-acute (hospital) alternatives	Addressed through Sustainable and Efficient Patient Flow and developments in home and community care.
3.	Management of acute care services in hospitals	This section addresses the management of acute care needs, with the ER and surgical initiatives emphasized.
5.	Build the foundation for integrated care networks	The creation of the VP Health Services Integration and the Executive Director One Acute Care Network will facilitate the creation of an acute network. To be addressed particularly through the Alignment and Configuration of VCH Acute Services and Sites, including the Providence Legacy Project.
12.	Service quality enhancement for rural and smaller communities.	The Rural Acute Project that was part of the Alignment and Configuration of VCH Services and Sites confirmed the roles of the VCH rural acute facilities and developed recommendations to improve service quality.

2.4 Summary of Budget Management Plan

One Acute Care Network – Strategies and Initiatives (numbers shown each year are incremental)

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	($335)	0	0	($335)
Demand Pressures	($3,820)	($3,405)	0	($7,225)
Acute Redesign Investments	($1,101)	0	$3,300	$2,199
Acute Redesign Savings	$28,647	$1,243	0	$29,890
Total Acute Changes	$23,391	($2,162)	$3,300	$24,529

Amounts are in thousands of dollars

Note: The budget figures shown in each of the sectors, including the One Acute Network, are net savings from the previous year beyond the effect of Cost Pressures due to wage increases and inflation, with the 2002/03 budget as the baseline. Section 7, the Conclusion, also presents the cumulative Cost Pressures. For example, in the Total Acute Changes for One Acute Network, in 2003/04 VCH expects to save $23.4 million compared to 2002/03. In 2004/05 expenditures will increase by $2.2 million from the level in 2003/04. In 2005/06 there will be a savings of $3.3 million from the level of expenditures in 2004/05. Adding these year-over-year changes, overall by the end of the three-year period VCH budgets to save $24.5 million in the One Acute Network as compared to last year's budget (i.e., 2002/03).

Over the next three years, VCH plans to build to an annual investment of about $7.6 million in the One Acute Care Network and to achieve about $32.1 million annually in specific acute redesign savings, for a net savings of $24.5 million per year. These savings are needed to address cost pressures primarily due to wage and benefit increases.

SECTION 3: COMMUNITY CARE NETWORK

3.1 VCH Vision and Strategies for the Community Care Network

Research indicates that as people age they overwhelmingly prefer to stay in their own homes if they have access to added support, rather than move to a residential facility. In 2002, Vancouver Coastal Health, including Providence Health Care, made a commitment to the BC Ministry of Health to develop a new model of service delivery that would better meet the needs of seniors and adults with disabilities. In the Community Care Network (CCN) all the residential, home care and home support services will work together to provide a continuous service. The Community Care Network will always be working to provide care at appropriate levels of service for the greatest possible comfort and support of our customers and with the least pressure on the One Acute Care Network.

The CCN is an integral part of the new VCH strategic direction for the development of a sustainable and accountable health care system where people are at the centre of the service model. One of three inter-related health service networks – Acute, Primary and Community Care – the CCN represents a fundamental shift in the way that community care services are delivered. The goal of the CCN is to provide customer-focused, needs-based continuum of care options that enhance quality of life for the people that it serves. The CCN continuum will be recognized for its navigational ease, timely access to appropriate services and seamless interface with the other two health service networks. The CCN encompasses at-home service, assisted living, complex care, alternate level of care (ALC) / transitional care units (TCU), and palliative / end-of-life care.

More specifically, the redesigned Community Care Network will better respond to:

- the continuing growth of the health region's population;
- the need to ensure a sustainable, accessible public health care system;
- the evolving nature and increasing complexity of health needs;
- the fact that most people prefer, where possible, to stay within their own community and receive support in their homes or home-like surroundings;
- the inappropriate usage of residential care services and acute care beds;
- the increasing costs of complex care; and
- the VCH performance targets as outlined in the MOH/VCH agreement.

The CCN envisions a future where individuals have access to the support and health services they need to live in and contribute to their communities.

In order to achieve the objectives of the CCN, VCH believes that it needs to initiate a strategy that will allow each HSDA to provide seniors and adults with disabilities with easily accessible and highly integrated health care services across the continuum of care. This strategy – the community campus of care – allows VCH to physically locate services in one geographical setting or as a linked 'virtual' campus. A campus of care refers to a group of services that span the full continuum of care and are located in close proximity to each other – geographically or virtually. Although not linked physically, a virtual campus of care can provide access to a similar network of services through case management, information systems and common access linkages. The campus of care model will also provide VCH with opportunities to develop partnerships with private for-profit and not-for-profit organizations, as well as to link seniors' services with those provided for other demographic groups.

A campus of care model is an important contributor to healthy aging. Over the next five years, VCH plans to implement a minimum of two geographic campuses of care. It is felt that this initiative should significantly improve service and create some unique opportunities to further VCH's academic mandate.

3.2 Highlights of Initiatives Currently Underway and Planned

A number of major initiatives, mainly linked to the Community Care Network, have been developed to achieve the objectives, and to meet performance expectations set forth by the Ministry of Health Services. The following is a description of these major initiatives for 2003/04 to 2005/06.

The objectives that support the strategic directions are as follows:

- Ensure equitable access to services;
- Ensure appropriateness of services, with maximum independence (including the concept of "the right service in the right place at the right cost with the right provider");
- Focus on long term sustainability and financial accountability;
- Achieve sustainable efficiencies;
- Identify and design innovative and creative service delivery models of providing care to seniors;
- Redesign seniors' services in order to align with policies and guidelines created by MOH on supportive living, residential care, and home care, etc.; and
- Implement a performance management system (using indicators like caseload, satisfaction surveys, etc.).

3.2.1 Develop a Community Care Network

In the new Community Care Network, home care, home support, complex care, and primary health care teams will work together to provide a continuum of services and housing options that range from independent living through supportive housing, assisted living and complex care. The target populations for the network are seniors and people with disabilities, mental health and addiction challenges. There are two strategies for developing the Community Care Network—a community campus of care and a virtual campus of care.

The Community Campus of Care model would have independent housing, supportive housing, assisted living, and complex care services physically located on one site, so people can age in place as their needs change. Services would span the continuum of care options, including meeting the needs of:

- seniors who live independently in their own apartments;
- those with declining health status who require some nursing care and home support; and
- those who need continuous complex care.

A campus of care model would have the following advantages:

- economies of scale through shared services;
- the ability to care for seniors in the same location as their health declines and their needs intensify; and
- the opportunity for couples with different health needs to live nearby.

VCH is considering a number of possibilities for establishing campuses of care, including sites in Richmond, West Vancouver and at St. Vincent's Heather (SVH). VCH envisions at least two of these campuses of care and ideally at least one per Health Service Delivery Area (HSDA) will become a reality within five years. This model is intended as an option rather than the predominant arrangement, so most community care in VCH will be delivered through a Virtual Campus of Care. Services in this model will be geographically dispersed, but also span the continuum of care, linked through technology, case managers and multidisciplinary care teams, and linked to the other networks, to help people navigate through the system and understand the options available. The care team will use automated assessment tools such as MDS-HC (Minimum Data Set-Home Care) to better align client needs and available housing options. The virtual campus will offer the following services:

- Home Care and Home Support to clients living in their own homes
- Congregate or Supportive Housing

- Adult Day Care
- Respite Care
- Palliative Care
- Assisted Living
- Complex Care (residential care).

As the VCH develops campuses of care it will seek to integrate the Primary Health Care Network with the community care network. Linkages may include mobile teams that can serve a number of campuses and use standard tools like MDS version 2.0. Where possible and efficient, VCH will create hybrid campuses of care with more than one type of service on a site.

3.2.2 Reorganize the Home & Community Care system to better meet the needs of VCH clients

In reorganizing the Home & Community Care system to better meet the needs of VCH clients, VCH will be undertaking the following major initiatives that relate to residential care, supportive living and at-home service capacity.

Transform Residential Care Capacity

The current residential bed capacity distribution varies considerably between communities. In 2001/02, the residential care bed rate/1000 population over 75 years of age varied from a low of 78.7 to a high of 139.9 with an average of 119.7 for VCH.

In order to meet the objectives of equitable access of service and redesign seniors services, Coast Garibaldi and Richmond will need more residential beds while Vancouver and the North Shore will need to decommission residential care beds. At the same time new Assisted Living units will be developed as discussed in the next section.

VCH has developed a model for determining future residential bed requirements derived from the MoH Residential Care Client and Bed projection model, adjusted for VCH parameters. The model forecasts an overall decrease in the number of residential beds in VCH. (See below for related expansion of assisted living units within VCH.) The target for the end of 2003/04 is a decrease of 277 beds over two years. These bed reductions/increases will bring bed rate/1000 population >75 for VCH down to 107.9. These changes will mean residential bed rates for the individual HSDAs that are closer to each other, and also closer to residential bed rates found in other health authorities. It is understood that other health regions are using residential care bed planning target rates in the range of 75-85 beds/1000 population 75+ years (some regions, like VCH, have adjusted the bed rate for more remote and rural areas to account for their unique distance, access and transportation issues, resulting in more complex care beds for these areas).

VCH is continuing to examine client requirements and to monitor the effect of experience with the new approach to home and community care services, and will continue to refine and extend the forecasts for future years.

One other aspect of residential care capacity transformation to note is the implementation of the Eden philosophy of care and service across the Providence Health Care residential bed system by 2006/07 as an element of the Providence Legacy Project.

Creation of Assisted Living Units

VCH is exploring opportunities to shift seniors housing options from largely residential-based at present to supportive housing, which provides episodic personal care, and assisted living, which provides personal care 24 hours/day, 7 days/week.

In reducing reliance on residential care facilities by providing affordable housing-based options, VCH is in alignment with MoH expectations for developing Independent Living (which includes Assisted Living) initiatives. Indeed, Assisted Living is less costly than residential care and allows VCH to provide healthcare service to more individuals at "home", while reserving residential care for individuals with the most complex needs.

The plan outlining projections for future Assisted Living (AL) units in VCH was derived from the same Ministry model that projected future residential care requirements. The model forecasts the development of a significant number of Assisted Living units. While implementation will begin slowly, there are expected to be 160 units in place by the end of 2003/04, an increase from 18 units in April 1, 2002.

Reposition At-Home Service Supports

As part of a province-wide trend, the VCH intends to enhance primary health care and reposition at-home service supports to allow the majority of seniors to remain independent in their homes and communities for as long as possible.

The plan outlining projections for future Home Support hours in VCH was developed in part by the same model that projected future residential care and Assisted Living requirements. VCH extended that model to include the effect of population growth and equitable utilization rates across the region (with adjustments for socioeconomic status and rural location). While the overall change to VCH over the five-year timeframe is an increase in Home Support hours of approximately 1.2%, the model projects significant changes to individual communities (e.g., Richmond and North Shore are projected to increase by approximately 20-30%).

3.2.3 Achieving Sustainable Efficiencies and Enhancing Performance Management

In order to achieve the activity levels and residential care and assisted living capacity outlined in this Plan, VCH will need to undertake a number of sustainable efficiency and performance management strategies. These will include the following:

- Improving sick time and overtime utilization in residential care;
- Redesigning Home Support to provincial guidelines;
- Redesigning Adult Day Care Centres to serve complex care clients;
- Standardizing performance contracts with private providers; and
- Developing a plan to ensure consistency of implementation of the standard residential and homecare assessment tool.

3.3 Response to Ministry Performance Expectations

The draft Performance Agreement between the Ministry of Health Services and Vancouver Coastal Health April 1, 2003 to March 31, 2004 outlines the following expected performance targets for Home and Community Care:

1. Full implementation of the new assessment tool for home care (MDS-HC[2]) over the three years 2002/03 – 2004/05[3]

[2] Minimum Data Set-Home Care. Also known as interRAI/MDS. MDS-HC forms part of a suite of assessment tools that also include the MDS V2.0 used in complex care residential sites. This reliable and valid assessment instrument, developed and supported by an international group of researchers (interRAI), has been mandated by MOHS for use in all B.C. health authorities and its use must be fully implemented by March 31, 2005.

[3] The VCH expects to have the MDS-HC assessment tool implementation finished prior to the Ministry deadline date of March 2005 (likely to be some time in 2004, contingent on the PARIS implementation timeline working out as planned).

2. Full implementation of the new assessment tool for residential care (MDS V2.0) over the five years 2002/03 – 2006/07
3. Increase the number of home and community care clients with high level care needs (Intermediate Care level 2 and above) receiving services above the base number as of March 31, 2002, and increase the percentage of these clients living in their own home.
4. Reduction in ALC days as a percentage of total inpatient days by 17 per cent over the four years 2002/03 – 2005/06.

The VCH Community Care Network Team will be responsible for addressing the targets, and for monitoring the ongoing performance of the Home and Community Care sector regarding these performance targets.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. Four of these may be considered to relate particularly to home and community care. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy	VCH Home and Community Care Sector Plan
1. Hospital admissions prevention through increased community care options	It is expected that the new options, particularly assisted living and transitional care, and the increase in community care for high needs clients will help prevent hospital admissions. Also relates to reduction in MNRH and primary health care renewal.
2. Post-acute (hospital) alternatives	The increase in community services described in this section is designed to enable timely hospital discharge and reduce ALC. See also initiatives under One Acute Network re flow from hospital to community.
4. Alternatives to institutional care	The creation of assisted living and the increase in home support for high needs clients, as described in this section, is expected to enable the elderly and disabled individuals whose health status will permit it to be able to continue to live in the community.
5. Build the foundation for integrated care networks	The creation of the VP Health Services Integration and the Executive Director Community Care Network will facilitate the creation of a home and community care network as described above.

3.4 Summary of Budget Management Plan

Home and Community Care (HCC) - Residential and Assisted Living (numbers shown each year are incremental)

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	($50)	0	0	($50)
Demand Pressures	($540)	($2,230)	0	($2,770)
HCC Residential Redesign Investments	($3,446)	($16,345)	($30,556)	($50,347)
HCC Residential Redesign Savings	$15,877	$7,625	$5,744	$29,246
Total HCC-Residential Changes	$11,841	($10,950)	($24,812)	($23,921)

Amounts are in thousands of dollars.

Home and Community Care – Community (numbers shown each year are incremental)

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	0	0	0	0
Demand Pressures	($1,812)	0	0	($1,812)
HCC Community Redesign Investments	0	($1,358)	($1,315)	($2,673)
HCC - Community Redesign Savings	$1,905	$50	0	$1,955
Total HCC Community Changes	$93	($1,308)	($1,315)	($2,530)

Amounts are in thousands of dollars.

Over the next three years, VCH plans to increase its expenditures by $53.2 million annually in the residential and assisted living sector above and beyond the cost pressures due to wage increases and inflation. These will be partially offset by redesign savings of about $29.2 million per year for a net increase of $23.9 million per year.

In addition, VCH will invest about $4.5 million annually in the HCC-community sector (particularly in home support) beyond the cost of wage increases and inflation. These will be partially offset by savings of about $2.0 million per year for a net cost increase of $2.5 million per year.

SECTION 4: PRIMARY HEALTH CARE NETWORK

4.1 VCH Vision and Strategies for the Primary Health Care Network

Primary health care is the first and most frequent point of on-going contact that individuals and families have with the health care system. A well functioning primary health care system:

- supports people to stay healthy;
- provides initial diagnosis and treatment for episodic illness and chronic conditions;
- assists people to manage their own health conditions especially chronic conditions; and
- organizes services and navigates people through the range of health services they may require.

This is an integrated view of primary health care that incorporates illness prevention and health promotion as well as care and treatment. Vancouver Coastal Health (VCH) has developed a set of principles and characteristics to guide its primary health care services and programs.

The following summary touches on the main re-design plan in these three areas:

- Primary Health Care Renewal
- Public and Population Health
- Aboriginal Health.

A major VCH initiative in 2003-04 is to create a new Primary Health Care portfolio that will take leadership to develop an integrated approach to these three areas.

4.2 Primary Health Care Renewal

4.2.1 Overview and VCH Vision and Strategies

The new VCH Strategic Directions identify the creation of a Primary Health Care Network as a central foundation for the future health care system. The Primary Health Care Network will feature a clear point of entry and information on how to access the range of care available; outpatient and secondary care; prevention and population health; and chronic disease management. Services will be provided closer to where people live – to avoid unnecessary stays in our acute care hospitals and residential facilities.

A comprehensive set of guiding principles has been adopted to guide the development of this network. A set of short- to medium-term initiatives is being implemented through the Primary Health Care Transition Fund (PHCTF). A long-term strategy is also being developed that is composed of three main elements:

- Development of Primary Care Access Centers
- Development of Affiliated Group Practices of Physicians
- Integration of the Continuum of Services through Information Technology.

Primary health care redesign will support:

- Extended hours of service availability;
- Enhanced preventive and health promotion services;
- More comprehensive care including chronic disease management, services for frail seniors and palliative care; and
- Electronic patient records so health care providers have the technology to support best practices.

4.2.2 Highlights of Initiatives Currently Underway and Planned

The following table summarizes the B.C. PHCTF Framework Categories and VCH initiatives. Some projects are being generated through a call for proposals and this is referred to as the "competitive process".

PHCTF Framework Categories and VCH initiatives

Categories	VCH Initiatives
First Call Nursing	• Nurse First Call – rural & remote communities of Coast Garibaldi, Bella Bella & Bella Coola –*Non-Competitive*
New Practice Models	• New Practice Models in Vancouver, North Shore, Coast Garibaldi Bella Bella, Bella Coola & Richmond – *Competitive* • Based on consultations with local providers there may be interest in provider networks; therefore, some resources may be reallocated from NPM funds – *Competitive*
Quality Improvement Collaboratives	• VCH Chronic Disease Collaboratives for Diabetes & Congestive Heart Failure – *Non-Competitive* • Other Chronic Disease Collaboratives, Frailty, End of Life Care, Injury/Disease Prevention or Health Promotion Initiatives "Improving Health Outcomes" – *Competitive*
Professional & Organizational Development	• Community Health Services Redesign for Vancouver, North Shore, Coast Garibaldi, Bella Bella, Bella Coola & Richmond – *Non-Competitive* • VCH Change Management - *Non-Competitive*
Evaluation & Evidence	• VCH Evaluation - Data Collection & Analysis - *Non-Competitive*

The PHCTF represents a unique opportunity to improve the quality of care delivered to people living in the VCH areas, contribute to the increased well being and health of populations, and relieve pressure on the acute care system. VCH's plan to renew primary health care focuses on a patient, client and family centred health care system, encompassing a range of accessible services supported by an interdisciplinary health team. In addition to focusing on treatment once people become sick, primary health care providers will be able to keep people healthier through better management of chronic disease and a targeted emphasis on health promotion and illness prevention for those who are under-served or at risk. The projects described in the business plan will also help ensure the sustainability of our health care system by improving the working environment so that physicians and staff can feel supported, as well as proud of the care they are able to deliver.

4.2.3 Response to Ministry Performance Expectations

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. Six of these may be considered to relate particularly to primary care. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy	VCH Primary Health Care Plan
1. Hospital admissions prevention through increased community care options.	The overall PHCTF initiative and the VCH strategy has set a target to double nurse call usage.
5. Build the foundation for integrated care networks	The Primary Health Care Renewal strategic direction is the key to the new integrated service delivery model for VCH. The creation of the VP Health Services Integration and the Executive Director Primary Health Care Renewal will facilitate the creation of the Primary Health Care Network.

6.	Better care for people with complex care needs.	While the Ministry expectations with regard to high need clients are still being defined, it is expected that primary care renewal will be a key. VCH is undertaking post-doctoral research with the UBC Centre for Health Services and Policy Research to understand the needs and opportunities for individuals with complex chronic disease comorbidities. These individuals constitute a significant portion of the high need population identified by the Ministry.
7.	Better care for people with chronic diseases.	Chronic disease collaboratives and more generally chronic disease management is an explicit part of the VCH PHCTF project.
8.	Better care for the dying.	Preliminary work in palliative care redesign was undertaken as part of the Community Care Network Transitional Plan project, and has been pursued by a Palliative Care Coordinating Committee in Vancouver and through specific HSDA plans. The Senior Executive Team has supported the creation of a regional coordinating committee to proceed with support from the Health Services Integration portfolio.
10.	Enhancing self-care and self-management	Self-care and self-management are elements of the overall Primary Health care Renewal strategic direction. The SMART Fund has and will continue to support a number of self-management initiatives in recent years. A new strategic plan for the SMART Fund is near completion. In addition, the Customer Engagement and Navigation concepts discussed elsewhere in this plan are intended to support informed individual choice and self-management. A consumer information strategy has been developed

4.2.4 Summary of Budget Plan

VCH has been allocated $10.17 million from the province's portion of the Health Canada PHCTF initiative. VCH's PHCTF business plan includes separate business plans and budgets for individual projects under the initiative.

There are no changes in the VCH 2003/04 – 2005/06 Budget Management Plan for Primary Care other than those in the PHCTF.

4.3 Public and Population Health

4.3.1 Overview

VCH's first Public and Population Health services sector plan was produced in 2002-2003 and continues as the foundation for 2003-04. The sector plan covered the following services:

- Health promotion;
- Injury and disease prevention;
- Health protection;
- Harm reduction; and
- Office of the Medical Health Officer.

Descriptions of these services are available in the 2002-03 sector plan. Over the course of 2003-04, VCH will use the new Core Services Framework developed by the Ministry of Health in conjunction with health authorities to categorize and describe its programming.

VCH has not chosen to create a region-wide operating program of public, preventive and health promotion services but rather has adopted a de-centralized model whereby the individual health service delivery area operating units determine service levels and program structure.

4.3.2 Highlights of Initiatives Underway and Planned

The 2002-03 VCH public and population health sector plan established four strategic directions. In addition, the Ministry of Health – VCH Performance Agreement set out one area of expected performance for 2002-03, specifically that VCH will collaborate with the Ministry in the development of a list of prioritized core programs for public and population health. This expectation was incorporated into the fourth strategic direction of the sector plan. These directions and the objectives for 2003/04 are summarized below.

Direction #1 Strategically Position the Public and Preventive Sector Within VCH

The current coordinating group still functions relatively informally. A key objective for 2003-04 is to create a more formal coordinating structure for this sector. The group will develop a program model that aligns it with the new VCH strategic directions. This will involve defining the sector mandate and accountability within the new Primary Health Care Network and identifying its relationship to other areas of primary health care.

Direction #2 Improve Access and Programs and Services for Underserved and High-Risk Clients and Populations

A standardized service typology based on the core services framework under development with the Ministry of Health will be introduced to capture information on prevention and promotion access and utilization. The implementation of common information systems (i.e., PARIS; environmental health) is underway and will continue. This will enhance the ability of this sector to record consistent information and monitor and measure performance.

An initial focus will be to examine the differential use of tobacco in different populations and define some targeted initiatives. The draft Aboriginal Health Plan has set "healthy families and early childhood development" as a priority. The public and preventive health sector will identify strategies to support this direction. Expansion of harm reduction will proceed. Additional funding will be allocated for needle exchange and HIV reporting to support new reporting requirements. Work will continue on a supervised injection site in the Downtown Eastside of Vancouver.

Direction #3 Create Chronic Disease Collaboratives to Integrate High-Risk and Primary Prevention Strategies and Services, and to Link Partners

The primary focus will be the implementation of the Primary Health Care Transition Fund projects. The new VCH Primary Health Care portfolio will take the lead to create internal chronic disease collaboratives in priority areas including diabetes and chronic heart failure. The need for a chronic disease collaborative for asthma will be explored. These collaboratives will draw upon staff and physicians already working in the disease area using a common model for collaboration. VCH will continue to collaborate to implement the workplan of the B.C. Chronic Disease Prevention Alliance.

Direction #4 Create a Regional Service Delivery System Framework including a Prioritized List of Core Service

The 2003-04 Ministry of Health – VCH Performance Agreement sets out two performance expectations for the public and population health sector. First, VCH is expected to continue the development of the core programs framework and by the end of 2003-04 is expected to have developed core program delivery expectations and performance measures. Second, VCH is expected to take initiatives to improve immunization rates for:

- vaccinations for two-year-olds and
- influenza vaccination for population aged 65 and over.

In 2003-04, VCH will create a profile of its public and population health services using the new core services framework. It will also finalize the identification of performance indicators and where data permits begin reporting on performance as part of VCH's Balanced Scorecard. Consideration will be given to conducting a sampling methodology to gain more accurate information on immunization than is currently available through existing reporting methods.

4.3.3 Response to Ministry Performance Expectations

VCH is participating in a provincial initiative to develop core "functions" and expectations. VCH is actively involved as a member of the advisory group.

The performance agreement calls for VCH to achieve target levels of immunizations for two-year-olds and for influenza vaccine for seniors. The 'current strategies' will contribute to improved immunization rates.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. One of these may be considered to relate particularly to public and population health. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy	VCH Primary Health Care Plan
11. Protection from disease or injury	There are initiatives underway with respect to immunization, falls prevention, nutrition etc. as contemplated by the Ministry priority strategy.

4.3.4 Summary of Budget Management Plan

The effect of annualizing last year's budget management plan is a net saving of $2.2 million per year as follows:

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	0	0	0	0
Demand Pressures	0	0	0	0
Public and Population Health Redesign Investments	0	0	0	0
Public and Population Health Redesign Savings	$2,217	0	0	$2,217
Total Public And Population Health Changes	$2,217	0	0	$2,217

Amounts are in thousands of dollars.

4.4 Aboriginal Health

The overall health status of the Aboriginal population is a serious concern. Aboriginal people in B.C. live on average seven years less than the general population and have an infant mortality rate between 1.9 and 3.9 times higher than the general population across the regions making up VCH. Clearly, Aboriginal health must continue to be an overall priority for the health authority.

In 2002, the VCH created a draft Aboriginal Health Plan to stimulate dialogue and act as the foundation for future planning and development of Aboriginal health services.

The VCH used the information gathered from consultations with Aboriginal communities and its health profile to identify some of the most significant priority areas to address from a health services perspective. These are listed below. It is important to recognize that improvements in health status of Aboriginal people will depend on improvements in the social determinants of health and not just improvements to health services. In addition to its heath service strategies, VCH has an important role to play in highlighting these areas and partnering with other organizations to address these social determinants in meaningful ways within the VCH mandate.

- Healthy Families and Early Childhood Development
- Addictions
- Chronic Disease - Diabetes
- Access to Services that are Sensitive to Aboriginal Needs

The draft Aboriginal Health Plan was created based on an in depth health profile of Aboriginal people in VCH and an extensive community consultation process. The Plan set out six broad goals and a series of specific objectives. These goals are:

- Build Relationships With Aboriginal Communities;
- Build Capacity Among Aboriginal Service Providers;
- Expand Aboriginal Service Delivery and Service Delivery Partnerships;
- Develop Aboriginal-sensitive Approaches to Health Promotion Programs;
- Address the Social determinants of Health Within VCH Mandate; and
- Improve Coordination of Planning and Data Management.

Initiatives are being pursued under the objectives identified above. The VCH Aboriginal Health Plan was developed prior to the new VCH Strategic Directions. Over the course of 2003-04, VCH will revise its draft Aboriginal Health Plan to align with the new Strategic Directions.

The Ministry of Health and VCH Performance Agreement sets out two performance indicators for the health authority in relation to Aboriginal health:

- Improve Infant Mortality
- Improve Life Expectancy.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. One of these may be considered to relate particularly to Aboriginal health. The following table flags the relevant parts of this plan and additional comments.

	MOHS/P Priority Strategy	VCH Primary Health Care Plan
9.	Improve the health status of Aboriginal peoples	This portion of the redesign plan directly addresses the VCH strategies for Aboriginal health

We have not attempted to attribute specific costs or savings in the Budget Management Plan to Aboriginal health.

SECTION 5: MENTAL HEALTH

5.1 VCH Vision and Strategies for Mental Health and Addictions

The mental health and addictions system in VCH responds to the portion of the population needing mental health and addiction services. Those services may be acute, or community care residential or support services, or for primary care. As a result, the mental health and addictions system draws on all three of the service Strategic Directions in the VCH new service model. The Senior Executive Team has used the term Customer Navigation to identify these regional service integration processes.

As indicated below, most of our regional planning to date has concentrated on mental health services. Some of the planning that has been undertaken in the area of addictions has been addressed in previous sections. In the future, VCH will plan and coordinate Mental Health services together with Addictions services. A Regional Director has recently been appointed for Mental Health and Addictions, and a Mental Health and Addictions Integration Council has been created.

5.2 Highlights of Initiatives Currently Underway and Planned

In line with VCH strategic planning, the primary purpose of the initiatives in the mental health plan is to improve mental health outcomes for customers of VCH. More specifically, the goals of the mental health plan are to:

- Implement the VCH Vision and Strategies by aligning service delivery and health outcomes with VCH strategic directions;
- Establish appropriate services and service levels based on the demonstrable needs of the population; and
- Achieve efficiencies in mental health services by focusing on sustainable improvements and performance management systems.

The Mental Health and Addictions Integration Council has been established on a permanent basis with new terms of reference, and the representation from each VCH entity has been supplemented with representation from the UBC Department of Psychiatry and the Ministry of Health. A regional planning framework has been agreed to by all VCH entities. Combining this framework with our previous work on a gap analysis of the implementation of mental health best practices within VCH will allow us to move ahead with significant redesign initiatives in line with the 1998 Provincial Mental Health Plan. An initial set of system performance indicators was developed in conjunction with the Ministry of Health and has been endorsed by all VCH entities.

There are two key themes behind the specific strategies in the VCH mental health plan: a) population-based planning for the full spectrum of mental health services (primary, secondary, tertiary), and b) the drive to create sustainable improvements. The first theme leads to the specific strategy of distributing resources according to the demonstrable needs of the entire population, including the allocation of resources across Health Service Delivery Areas. It also leads to the planning and costing of specific initiatives for mental health primary care and the Riverview Redesign project. The theme of sustainable improvements reflects the intent of VCH to create a more strategy-driven organization that builds on best practices while also acting to ensure the sustainability of the health care system. In the current plan, this theme is expressed through initiatives directed at improving patient/client/resident flow through the system, and improving outcomes and sustainability through best practices.

5.2.1 Population Needs Based Allocation

To be consistent with a population-based approach, the definition of "mental health and addictions " must be broadened to include the needs of the whole population. One implication is that mental health and addictions planning must be integrated for the full spectrum of primary, secondary, and tertiary programs.

While recognizing the difficulties involved, it has also been determined that mental health and addiction resources should be distributed according to the demonstrable needs of the population, including the allocation of resources across Health Service Delivery Areas. VCH will work with the Ministry of Health and representatives from MHECCU (a mental health evaluation group based at UBC) in order to bring proposed population needs based funding indicators to Senior Executive Team later in 2003. If it is not possible to create a definitive set of indicators by this time, a costed proposal will be brought forward indicating how such a funding model may be developed. The implications of the shift to a population-based approach for primary and tertiary services are discussed in the following two sections.

5.2.2 Mental Health Primary Care Development

In developing a population-based approach, it is necessary to broaden mental health planning beyond the traditional emphasis on psychosis. VCH recognizes that, in this process, it is crucial to ensure that adequate and appropriate resources are maintained to provide support and services for the seriously and persistently mentally ill. It is highly likely that new initiatives in this area will need to be considered as strategic investments for VCH. However, significant gaps exist for a range of interventions, including: primary prevention and mental health promotion, early identification and early intervention, and targeted direct services for secondary prevention (e.g., services for refugees with post-traumatic stress disorder). Certain interventions are already under way or planned, and VCH needs to identify these efforts or build on them. For example, efforts are already under way in North Shore/Coast Garibaldi to provide mental health consultation to primary health care teams. The Mental Health and Addictions Integration Council first needs to determine the best group of people to connect with in the area of primary care planning. Costed proposals for establishing a regional mental health primary care program will be brought to Senior Executive Team by November 2003.

5.2.3 Riverview Redesign

Phase 1 – Access Patient Discharges
This phase of the project involves the discharge of patients to community mental health housing. VCH staff visited Riverview to assess clients identified as ready for discharge and with this information have been organizing appropriate placements to meet the target of 60 for VCH. Clients relocated to VCH are being placed in all three HSDAs in response to their stated wishes.

The strategy used by the working group is that successful placements require not only housing but appropriate clinical and rehabilitation services therefore Access resources will be used to support all three components. Due to the high existing demand for housing services every effort is being made to create 60 new housing placements as part of this project.

Phase 2 – Riverview Bed Transfers
This phase of the project sees the creation of new tertiary rehab services and specialized residential beds in each of the health authorities to replace existing beds at Riverview. The distribution of beds and resulting resources to health authorities is based on work done by the Ministry of Health and the 1998 Mental Health Plan. There is discussion at the Provincial Riverview Steering Committee about the location and provider of tertiary acute mental health services, and the opportunities for partnerships and networks to ensure that high quality and sustainable services are available. This work will be ongoing over the next few months led by the PHSA. VCH is represented at the Provincial Riverview Steering Committee, as are the other geographic health authorities and the Ministry of Health.

While this province-wide work is going on, the VCH Riverview Redesign Steering Committee is focusing on the development of conceptual plans to address the needs of the VCH population for tertiary rehab and specialized residential services. While there is recognition that the needs of patients who will be transferred with beds from Riverview must be addressed it is important that the design of tertiary services reflects the current and future demands within VCH. To this end, Planning Groups, representing all

HSDAs and PHC, have been convened to develop options for the Adult and Older Adult services by early May. Consultation with consumers, families, service providers, other partners and stakeholders was held in May with a final conceptual plan completed in July 2003. Detailed functional plans and siting are to be determined by the end of 2003. The next steps and timelines for implementation of the plan will be dependent on the outcome of this work. The MoH published target dates for this project have it completed in stages to March 31, 2007.

5.2.4 Sustainable Improvements

Sustainable improvements within VCH are intended to create a more strategy-driven organization that builds on best practices while also acting to ensure the sustainability of the health care system. Under the category of sustainable improvements, the key challenge for mental health and addiction services will be to design initiatives that will:

- Improve the appropriate flow of patients/residents/clients through the mental health and addiction system, with an emphasis on reducing Alternative Level of Care days and increasing the use of shared care models, and
- Increase the use of interventions known from best practices research to improve outcomes while reducing reliance on the most expensive resources (acute care beds and emergency services).

Strategies for reducing alternative level of care days include such steps as developing transitional or 'swing' beds in the community for people who are clinically ready for discharge from hospital. An increased exploration of shared care models with general practitioners and privately practicing psychiatrists would also help ensure that mental health and addictions clients were being supported in the community at the most appropriate level. Certain interventions are known from best practices research to improve outcomes while reducing the utilization of hospital beds and emergency departments. This includes such initiatives as Programs for Assertive Community Treatment (PACT), psychoeducational groups for families of the mentally ill, and cognitive behaviour therapy for persons with psychotic disorders. The Mental Health and Addictions Integration Council will report to SET by November 2003 with an update on cost neutral plans for sustainable improvements in mental health and addictions and/or costed proposals for any strategic investments.

5.2.5 Providence Health Care

Providence Health Care (PHC) is an active member of the VCH Mental Health and Addictions Integration Council. PHC has developed particular expertise in serving the needs of the downtown eastside, eating disorders, the HIV population, and the older-adult population. The Phase III proposal, a part of the Providence Legacy Project, has been high on the list of VCH capital projects for some time, and PHC is actively pursuing options for moving forward with a significant P3 development. In the fall of 2003, PHC expects to hear whether funding has been secured for an Academic Professorship in Addictions at St. Paul's Hospital, which would create significant opportunities for developing and harmonizing community and in-patient addictions programs in VCH.

5.3 Response to Ministry Performance Expectations

The current plan addresses each of the Priority System Performance Improvements identified for mental health services in the Performance Agreement.

- The Sustainable Improvements strategy based on mental health and addictions Best Practices will address the requirements to:
  - Decrease the alternate level of care days spent by mental health and alcohol and drug clients in hospitals, and
  - Improve continuity of care
- VCH already delivers almost all of the mental health services received by VCH residents

- The Riverview Redesign project will continue to address the issue of developing tertiary replacement units in selected locations.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. One of these may be considered to relate particularly to mental health and addictions. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy	VCH Mental Health Sector Plan
5. Build the foundation for integrated care networks	This section demonstrates the steps that have been taken to initiate the development of a mental health and addictions network in VCH. In addition, a Regional Director of Mental Health and Addictions position has been established and filled within the VP Health Services Integration portfolio.

5.4 Summary of Budget Management Plan

Mental Health (numbers shown each year are incremental)

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	0	0	0	0
Demand Pressures	($310)	($700)	0	($1,010)
Mental Health Redesign Investments	0	0	0	0
Mental Health Redesign Savings	$1,732	0	0	$1,732
Total Mental Health Changes	$1,422	($700)	0	$722

Amounts are in thousands of dollars.

VCH has not yet planned major changes in the mental health sector. About $1.0 million in additional expenditures per year are planned over the next three years beyond the cost of wage increases and inflation. About $1.7 million in annual savings are planned – mostly as annualizations of changes made during 2002/03. The net effect is a saving of about $0.7 million per year after the three years. Based on the way the budget management plan was developed this year, some addictions-related costs are included in other sectors.

SECTION 6: CORPORATE SERVICES

As summarized on page 7, the Vision and Strategies of VCH include five strategies beyond the three service strategies that frame the new service model of One Acute Care Network, Community Care Network and Primary Health Care Renewal. This section presents these strategies and goals, and then elaborates on the major related current organization-wide initiatives.

6.1 VCH Vision and Strategies for Corporate Services

Here is a summary of the five strategies:

- *1. Focus on customer engagement and navigation:* At the heart of VCH's vision and strategies is a focus on customer engagement and navigation. The human resources plan will continue to address the quality, responsiveness and leadership of our staff. The Balanced Scorecard, which includes plans for public reporting will assist with demonstrating our efficiency and accountability. Specific plans for public involvement and a more general focus on this strategic direction are essential to the implementation of these strategic directions and will enable choice and involvement. The foundation stone for this central strategic direction is a customer-friendly navigation system.

- *2. Renew education and research partnerships:* As a relatively new organization, with new academic relationships to be defined, particularly with the Provincial Health Services Authority, UBC and the Ministry of Health Services, we are beginning the process of defining the VCH academic mandate. This includes determining the optimal structure and agreements to support it, and establishing a sustainable funding model.

- *3. Develop our staff and physician human resources as a core asset:* Our human resource strategy is designed to enhance quality of care for our customers, including strengthening our customer orientation, and to achieve a more efficient and cost-effective system. There are four major components to this strategy: competencies, leadership, alignment, and integration.

- *4. Develop enabling systems, particularly Information Management/ Information Systems (IM/IS):* Information Management/Information Systems (IM/IS) has been identified as a key enabler if VCH is to transform to a sustainable publicly funded health care system. The Information Management/ Information Systems department has developed a strategic plan that is designed expressly around the VCH vision and strategies. It intends to deliver the following: empowering the Customer, enabling Primary Health Care Renewal, enabling One Acute Care Network, enabling Community of Care, enabling Human Resources, enabling Education and Research, and enabling Financial Sustainability.

- *5. Focus on system sustainability:* There are three components to this strategic direction. The first is a goal to raise the bar in the delivery of services to the customer by improving standards of care and delivering appropriate levels of service for customers of VCH. The second is a specific focus on customer safety by providing effective systems to ensure the safety of customers of VCH. The third is a goal to achieve not only the savings required under the budget management plan, but to release funds for new investments to improve the system. ValueIN (Value Improvement Network) will support sustainability by managing the transition of identified service areas to significantly reduce costs and improve the operation of Vancouver Coastal Health. The ValueIN vision is '*Quality for health care consumers. Value for taxpayers.*'

6.2 Highlights of Initiatives Currently Underway and Planned

This section will describe the eleven major organization-wide initiatives that support the five strategic directions and goals explained above. The initiatives are listed below, under the corresponding strategy.

1. Customer Engagement and Navigation

- Public involvement

  The VCH has designed its community engagement activities to facilitate the highest degree of community involvement in decisions closest to the community and/or the client. The VCH Board of Governors will receive and consider community input along with other major inputs prior to making governance decisions whereas front-line managers and program directors will work in partnership with their specific communities when designing the details of new programs/services or when evaluating existing programs/services. Specific mechanisms are:
  - ***Community Advisory Committees:*** four advisory bodies have been created in the three health service delivery areas of the VCH as well as one regional committee with a focus on Aboriginal communities.
  - ***Program Advisory Committees:*** these bodies are not mandated but are in place to support various services across the Health Authority
  - ***Healthy Communities Partnerships:*** the VCH will participate, with other community groups and across jurisdictions, in partnerships that address the factors affecting population health status.
  - ***Community Development and Capacity Building:*** Richmond, the North Shore and each community health area in Vancouver has a community developer or coordinator that works within the community services structure with local communities.
  - ***Local Governance Committees:*** VCH has established a series of local municipal liaison committees to hold twice yearly meetings with local community officials.

- Patient satisfaction

  VCH has been working with a provincial Steering Group on Patient Satisfaction to develop a provincial approach to patient satisfaction. A proposal has been approved by the Leadership Council that includes both provincial-level surveying and sector-specific surveys carried out by the health authorities. A budget has been authorized for a rotation of sector specific surveying that includes, in the first year, acute in-patient units, emergency departments and residential care facilities. A standardized set of sector specific survey tools has been selected or is under development through a collaboration with Ontario to allow for benchmarking across Canada. In addition, a core set of five to ten patient satisfaction questions is being developed nationally with the intent to provide a short public domain survey that could be used in conjunction with sector surveys or stand alone and allow for benchmarking of results. Results of the surveying will be integrated into the VCH Balanced Scorecard.

2. Education and Research Partnerships

- Defining the academic interface

  The B.C. Academic Health Organization (BCAHO) has drafted a project charter for the first phase of a three-phase project to redefine the academic interface among the UBC Faculty of Medicine, VCH and PHSA. The goal of this phase of the project is to characterize the current relationship. We intend to review other models and experiences in North America, and then develop a model for the participating institutions.

  In addition to this project, steps are being taken at Vancouver Acute to more strongly ingrain research into the organizational culture including:
  - Foster research into outcomes measurement and its application to evidence based clinical practice
  - Strengthen support for the full continuum of research from biomedical through clinical to translational research
  - Establish a recognition/reward process for those involved in research.

3. Human Resources

- Human resources plan

The Human Resources Strategic Plan was developed prior to the VCH Vision and Strategies. That plan will be reviewed under the leadership of the new Vice President for Employee & Customer Engagement. Pending that review, the following six goals were identified:

- Human Resources is a strategic partner in implementing the Health System Redesign Plan (including the Vision and Strategies) and enables staff and physicians to embrace change while actively seeking solutions that support our goals.
- Those impacted by workforce adjustment will be treated with fairness, respect, and consideration.
- Establish VCH and PHC as "employers of choice" in B.C.'s healthcare system by attracting and retaining the best individuals who share our organizational values.
- Foster skilled, capable, learning staff and physicians who support achievement of our goals while encouraging and promoting a "learning organization".
- Support developmental opportunities to ensure qualified and competent people are identified to take on key positions and organizational roles.
- Establish an integrated health promotion and injury/disease prevention strategy that fosters a healthy workplace and healthy care providers.

The key current initiatives of the Human Resources department are:

- Overtime Reduction
- Span of Leadership Assessment
- Leadership Development
- Recruitment and Retention
- Labour Adjustment Plan
- Standardization of Policies
- HRIS
- Internal Process Review
- Safe and Healthy Workplace/ Absenteeism Management

In particular, the **Safe and Healthy Workplace** strategic initiative has set the goal of creating an environment that supports and promotes safe and healthy employees in order that they can provide quality outcomes and services, create efficiencies, and improve access. This initiative, with its major target of reduced musculoskeletal time loss injuries, is a comprehensive, evidence based, systematic approach to reducing all indicators of time loss.

4. Enabling Systems

- Information Management/ Information Systems strategic intent

To create a sustainable future for VCH, the current IMIS situation will be addressed as a strategic direction of the organization.

The proposed IMIS strategy will transform, over a number of years, the current IMIS disarray into an integrated system on an integrated network. Information will be available at all sites through a reliable network and to our partners in the primary care community. Real time information will be available to support patient care and there will be inter-connected electronic health records. Clinicians will have clinical decision support tools on line to assist in the correct ordering of medications and tests. For back-office business, there will be an Enterprise Resource Planning (ERP) system to facilitate and streamline the human resources, payroll, logistics and financial processes. Information from the clinical and business systems will be available, across the entire health authority, in

aggregate form to support evidenced-based decision making, simulation modeling, performance measurement and system accountability. Leveraging on all of these systems will be an on-line deployment of a Balanced Scorecard and information access through an enterprise portal solution.

The IMIS strategy is expressed as an "*intent*" at this stage because while it is mapped to the organization's vision and strategic design, it will require further validation and prioritization from the partner and stakeholder community.

- Balanced scorecard development

The development of the Balanced Scorecard has been documented in previous plans of VCH. Progress has continued, with refinement of indicator selection, indicator definition, target setting, data development, review of reporting alternatives, development of reporting tools and training of leadership and teams in the use of the system. With the completion of the Vision and Strategies, regional teams are being established with responsibility for each of the strategic directions. These teams are being asked to reassess the measures of success on the scorecard. Composite indicators are being developed for the top level of the reports. Software tools have been obtained to enable internal development of a "tree" structure to simplify user navigation through the indicator sets, and to permit a "dashboard" style presentation of results. It is intended to produce a web-accessible pdf format selection of reports for access by the public.

5. Sustainable Systems Improvement

- Sustainable systems improvement

The objectives of Sustainable Systems Improvement are:

- Service Standards and Levels: To improve the health outcomes and standards of care for the customers of Vancouver Coastal Health;
- Utilization of Resources: To provide maximum value for the resources available i.e., maximum throughput at optimum cost; and
- Patient/Client Safety: To provide effective systems to ensure the safety of customers of VCH.

The challenge faced by VCH beginning in 2003/04 is to make available $80 to $160 million annually, or about 4% to 8% of VCH expenditures, to address budgetary challenges and to address strategic investments and service-related cost pressures.

Activities proceeding under this specific initiative include:

- Operational planning teams across VCH pursuing a variety of sustainable efficiencies;
- A Sustainable Utilization Management team addressing reasons for delay;
- Sustainable Workforce Initiative examining the staffing requirements in patient care and allied health areas across VCH;
- Restructuring Resource Review in Providence Health Care addressing productivity and efficiency of all operations other than those involved in potential outsourcing initiatives;
- A Process Improvement consulting project assisting VCH in achieving sustainable systems improvements; and
- A $5 million Sustainable Improvement Fund assisting teams with promising ideas to undertake changes.

- Patient / client safety initiative

  The purpose of the VCH Patient / Client Safety Initiative is to provide leadership to assist Vancouver Coastal Health in focussing attention on the identification and resolution of issues of client and patient safety throughout the organization, by fostering a culture of safety, safe system development and benchmarking, and improvement opportunity identification and exploration.

  The functions included under this initiative are:
  - Indicator development;
  - System development - identify strategies in place and necessary to identify, explore, and resolve patient / client safety issues across VCH, within HSDAs and corporately;
  - Safe System Benchmarking - Review, identify, and coordinate across VCH gap analysis of evidence-based best practices concerning patient / client safety;
  - Solution support - Facilitation of strategies to identify and resolve issues of systems of care, identified by staff or through Delivery Area Safe Systems of Care activities;
  - Initiative Inventory and Support - Identification, inventory, and assistance if sought of Safe Systems of Care activities across the VCH; and
  - Culture reinforcement - Identify, and implement a strategy to reinforce accountability and 'culture of safety' throughout the organization, once approved by the Senior Executive Team.

- ValueIN

  The Value Improvement Network (ValueIN) manages the transition of identified service areas to significantly reduce costs and improve the operation of Vancouver Coastal Health. The ValueIN group assesses key service functions to determine the optimum delivery strategy and manages the transition to new delivery models. Upon approval of new service strategies it will develop the implementation plan for each service. The ValueIN vision is 'Quality for health care consumers. Value for taxpayers.'

  Defining quality in a meaningful way is a function of the particular service being assessed. As a starting point, the ValueIN team's approach is to have the highest quality of services of any health care jurisdiction in British Columbia. Prior to commencing change in a particular service area, the ValueIN team uses evaluation criteria in four areas: benefits, costs, potential risks, and likelihood of success.

  Utilizing the evaluation criteria in four areas identified above, ValueIN has identified the following priority list of services to address:

  1. Housekeeping
  2. Food Services
  3. Logistics
  4. Laundry
  5. Laboratory Review
  6. Plant Operations/Maintenance
  7. Security

- Strategic investment

  The Senior Executive Team has earmarked $7 million in 2003/04 and a further total of over $12 million over the following two years for strategic investments. In developing the strategic plan, it was apparent that there are a number of areas in which VCH should invest to meet customer expectations and enable implementation of the strategic directions. While specific priorities are being finalized, investments are expected in:

  - Customer engagement – e.g., patient/client satisfaction surveying;
  - One acute network development;
  - Community campus of care development;
  - Primary health care reform; and
  - Information systems.

- Revenue generation

  A number of revenue generation opportunities have been identified across VCH. In the acute sector about $8.2 million has been identified beginning in 2003/04 associated with inpatient and non-resident rate increases, and other revenues such as leasing an OR, expansion of Sleep Lab, provision of delisted services and TV and phone rentals. In the home and community care residential sector, resident fee increases are expected to add about $500,000 in 2003/04 net of the projected loss of gaming revenue to the contracted agencies, and a further $3.7 million in 2004/05 when the increases are fully phased in. Providence Health Care is projecting business enterprise revenues totaling $1.5 million over the three-year plan based on the delivery of preventive services and new technologies and optimizing facility usage.

Additional Initiatives Specific to Providence Health Care.

Providence Health Care has defined two additional initiatives. In its corporate and support departments PHC has initiated numerous efficiency improvement initiatives which saved approximately $3 million in 2002/03. Further department reorganization is expected to generate a further saving. In addition, PHC has completely eliminated their contingency budget meaning that the organization has no internal reserves to fund clinical program expansions or strategic initiatives. The Providence Legacy Project has been documented in the acute and home and community care sectors. In addition to the savings allocated to those sectors, further infrastructure savings are expected beginning in 2003/04.

6.3 Response to Ministry Performance Expectations

The Ministry's overall expectation regarding the development of Health System Redesign Plans and Budget Management Plan that meet certain requirements such as a balanced budget could be viewed as corporate expectations. Those broad requirements are the basis for these overall documents.

The explicit performance expectation for the corporate sector is a 7% reduction in administrative and support costs from the 2001/02 base by 2004/05. Ministry figures demonstrate that at 20.3% of total expenditures, the VCH portion for administrative and support costs is already the lowest in the province with the exception of PHSA. Results for 2002/03 indicate that VCH has already reduced by about 12%, exceeding the 7% reduction requirement. The challenge will be to maintain and improve on these results after absorbing the additional cost pressures expected in the next two years.

VCH will also be fully involved in the Ministry-led process to address the management and reporting of physician services funded through the health authority.

The Ministries have identified 13 Priority Strategies relating to services delivered by health authorities. One of these may be considered to relate particularly to corporate services. The following table flags the relevant parts of this plan and additional comments.

MOHS/P Priority Strategy	VCH Corporate Services Sector Plan
13. Manage within budget allocations.	This plan is evidence of the intention and ability of VCH to manage within budget allocations.

6.4 Summary of Budget Management Plan

Corporate Services (numbers shown each year are incremental)

	2003/2004	2004/2005	2005/2006	3-Year Total
Other Changes/Pressures	($9,241)	($1,292)	($1,269)	($11,802)
Demand Pressures	($435)	0	0	($435)
Corporate Services Redesign Investments	($7,000)	($11,720)	($900)	($19,620)
Corporate Services Redesign Savings	$96,043	$59,498	$50,298	$205,839
Total Corporate Services Changes	$79,367	$46,486	$48,129	$173,982

Amounts are in thousands of dollars.

By the end of the three-year budget period, VCH plans to increase certain expenditures in the corporate area by about $11.8 million per year beyond the cost of wages and inflation. The principal driver of these costs is the critical need to invest in our information systems, which has been conservatively estimated at $9.6 million. These costs include a technology refresh program to ensure staff have the personal computing tools to enable their work, and operational costs related to the upgrade of our clinical systems.

In terms of reinvestment strategies, it is imperative that we invest in our strategic directions in order to make the vision become a reality. We anticipate this will cost us $19.6 million over the next three years.

On the other hand, the corporate areas plan to achieve savings of about $205.8 million annually. There will be $52.2 million saved through our ValueIN initiatives and $126.4 million through our sustainable improvement initiatives. These costs will be allocated out to service areas as the plans are finalized.

Note: The budget figures shown in each of the sectors are net savings from the previous year beyond the effect of Cost Pressures due to wage increases and inflation, with the 2002/03 budget as the baseline. Section 7, the Conclusion, also presents the cumulative Cost Pressures. For example, in the Total Corporate Services Changes in 2003/04 VCH expects to save $79.4 million compared to 2002/03. In 2004/05 VCH expects to save $46.5 million from the level in 2003/04. In 2005/06 there will be a savings of $48.1 million from the level of expenditures in 2004/05. Adding these year-over-year changes, overall by the end of the three-year period VCH budgets to save $174 million in Corporate Services as compared to last year's budget (i.e., 2002/03).

SECTION 7: CONCLUSION

An overview of the Health System Redesign Plan and corresponding Budget Management Plan elements for each sector and the corporate sector is presented in sections two through six. The concluding section presents the overall summary.

7.1 Summary of Budget Management Plan

The following table is a summary of the Budget Management Plan for VCH for the next three years. The portion that appears below the Cost Pressures subtotal, identified as the Redesign Strategies, matches the figures and plans detailed in previous sections of this document.

	2003/2004	2004/2005	2005/2006	3-Year Total
Previous Year Budgeted Deficit	($18,866)	0	0	($18,866)
Revenue	$2,614	($1,264)	$500	$1,850
Wages and Benefits	($87,666)	($19,130)	($14,706)	($121,502)
Inflation	($14,414)	($10,972)	($11,096)	($36,482)
Cost Pressures	**($118,332)**	**($31,366)**	**($25,302)**	**($175,000)**
Acute	$23,391	($2,162)	$3,300	$24,529
Home and Community Care – Residential	$11,841	($10,950)	($24,812)	($23,921)
Home and Community Care – Community	$93	($1,308)	($1,315)	($2,530)
Mental Health	$1,422	($700)	0	$722
Primary Care	0	0	0	0
Public and Population Health	$2,217	0	0	$2,217
Corporate Services	$79,367	$46,486	$48,129	$173,982
Redesign Strategies	**$118,332**	**$31,366**	**$25,302**	**$175,000**
TOTAL	**0**	**0**	**0**	**0**

Amounts are in thousands of dollars.

Over the next three years VCH needs to achieve redesign savings of $175 million to offset the cost pressures due to wages and inflation. The largest portion of these savings, $118.3 million, will be achieved in 2003/04. Savings are planned for all sectors in 2003/04, some due to the annualization of initiatives that were begun in the 2002/03 fiscal year. In addition to addressing the cost pressures, VCH is planning a sizable net investment of $26.5 million in residential, assisted living and home support areas over the next three years.

TOTAL - ALL SECTORS	2003/04	2004/05	2005/06	3-Year Total
Other Changes/Pressures	($9,626)	($1,292)	($1,269)	($12,187)
Demand Pressures	($6,917)	($6,335)	0	($13,252)
Redesign Investments	($11,547)	($29,423)	($29,471)	($70,441)
Redesign Savings	$146,421	$68,416	$56,042	$270,879
Total Redesign Strategies	$118,332	$31,366	$25,302	$175,000

Amounts are in thousands of dollars.

In addition to the inflationary cost pressures, VCH plans on a total of $95.9 million in additional expenditures over the next three years to invest in improvements to the health system to increase access to specific services and to improve infrastructure such as information systems. The savings that will be needed to address cost pressures and these investments total $270.9 million over the next three years. Hence, the net effect of the redesign strategies is a saving of $175 million to offset the cost pressures.

7.2 Response to General Ministry Performance Expectations

VCH is committed to meeting the financial expectations of the Ministry of Health. The 2002/03 favourable financial performance has allowed the health authority to submit a balanced budget for 2003/04, as well as for 2004/05 and 2005/06. This meets the Ministry's expectation as described in the performance agreement.

VCH expects to improve the overall equity position by $5.5 million by March 31, 2005.

VCH continues to be committed to working with the Ministry to ensure compliance with the reporting requirements that are the result of the province's implementation of GAAP and the inclusion of the health authorities in the government reporting entity (GRE).

The health authority is committed to maintaining monthly reporting meetings with the Ministry staff in order to provide an on-going review of the budget management plans and to provide status reports related to our ability to meet our redesign strategies.

7.3 Risk Mitigation and Evaluation

Central to any change in health care service and delivery is a careful effort to identify, analyze, and mitigate risk. The VCH will implement positive change across the health care system over the next three years, as it moves forward with its redesign plan. Through careful planning and diligence, risk can be minimized and mitigated.

The VCH has identified possible impacts associated with the plan. Risk mitigation strategies have been put in place to monitor performance and to minimize the potential risks. Subsequent implementation planning will continue to reduce these risks.

VCH has adopted a broad-based approach to organizational alignment and the measurement of performance that can be referred to as a Balanced Scorecard or Strategy & Quality approach. The overall framework consists of the following:

- Strategic Directions;
- Performance Indicators;
- Implementation Cycle;
- Enablers; and
- Reporting.

The term **Balanced Scorecard** is quite descriptive of the VCH intent. The word **Balanced** emphasizes that VCH will not measure just one aspect of its vision such as financial performance but will take a more comprehensive or balanced approach by examining performance across all of its strategic directions. This means measuring quality in a more comprehensive way including outcomes and satisfaction with services and not just quantitative measures of productivity or efficiency. It is the ability to examine a comprehensive set of indicators and understand their relationship that provides a truly balanced view of the performance of the organization.

The term **Scorecard** emphasizes several critical elements of the VCH approach. First, the organization will use objective measures of its performance that can be compared to external standards or benchmarks. Second, VCH will report these results widely for a variety of audiences including the public. Finally, as with any system of scoring, the key or "vital few" measures that are chosen will be representative or summary indicators that can provide insight into a variety of performance areas or are "drivers" of a range of performance results. For example, high levels of performance on patient satisfaction may require high levels of performance on accessibility and quality of care.

The Balanced Scorecard is widely accepted as an approach to aligning organizational goals and resources. The implementation of the scorecard in VCH will create an alignment that will assist VCH staff contribute to the strategic directions of VCH and the goals for B.C.'s health care system.

7.4 From Strategy to Action

We have moved past the challenges of our 2002-2003 foundation year. A tremendous amount of work has been carried out across VCH to position us to improve care. We have renewed our vision and strategic direction, developed a new set of core values, reshaped our senior leadership team structure to support our long-term objectives and focused our operational plans on our three core themes: customer engagement, stewardship of resources and sustainability. The vision of health services we pursue will be focused through the lens of the customer who uses them. We have developed a grass roots based communications plan, which will focus on building awareness of our new vision, strategy and the benefits of reshaping the delivery of care. Communications will focus on results, credibility and renewing confidence.

Our challenge will be to support the achievement of our new strategic direction to improve people's health, provide local responsiveness to local needs, seek out opportunities to take advantage of regional prospects for efficiency, quality, and standardization, keep bureaucracy to a minimum, and bring decision making at the closest level to our customers. All our plans and actions will contribute to one overarching goal of improving health outcomes of our patients, clients and residents by putting strategy into action.